

House Bill 208

By: Representatives Graves of the 137<sup>th</sup>, Freeman of the 140<sup>th</sup>, Ray of the 136<sup>th</sup>, Randall of the 138<sup>th</sup>, and Lucas of the 139<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes, so as to provide for an exclusion from state income taxation with respect to certain severance pay; to provide for conditions and limitations; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes, is amended in subsection (a) of Code Section 48-7-27, relating to computation of taxable net income of individuals, by striking "and" at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting in its place "; and", and by adding a new paragraph immediately following paragraph (13) to be designated paragraph (14) to read as follows:

"(14)(A) An amount equal to the actual amount received as severance pay not to exceed the amount of \$120,000.00.

(B) In order to qualify for the exclusion under subparagraph (A) of this paragraph, such taxpayer's employment must have ceased due to such taxpayer having been employed at a manufacturing plant located in this state which has closed and ceased all operation."

**SECTION 2.**

This Act shall become effective on January 1, 2006, and shall be applicable to all taxable years beginning on or after January 1, 2006.

**SECTION 3.**

All laws and parts of laws in conflict with this Act are repealed.